

# Groublogpon – The Serious Blog of Groupon

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andrew

on

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## Groupon Class Action Lawsuit (update: dismissed)

\*\*UPDATE\*\*: We've been asked to kill this blog post while we attempt to reach a resolution and put this thing behind us. We didn't start Groupon so we could spend our time fighting with lawyers, so we're happy to try and end this and get back to making cool stuff for our customers. We'll update here when there's more to report.

In the meantime, I'll just remind everyone that [it has always been our policy](<http://groublogpon.com/cities/the-groupon-promise/>) to refund customers if for any reason they're unsatisfied with Groupon.

\*\*UPDATE (4/20/2010)\*\* We're pleased to report that [the lawsuit that was filed against us](<http://newsblogs.chicagotribune.com/the-problem-solver/2010/03/class-action-suit-against-groupon.html>) is being dismissed and we've settled with the guy named in the suit. To summarize, the lawsuit took issue with 1) our expiration date policy (which I'll detail below), and 2) a delivery charge on [this deal](<http://www.groupon.com/deals/grow-flower-shop>) that wasn't clear to a customer, who for some reason decided to sue us instead of [calling us for a refund](<http://groublogpon.com/cities/the-groupon-promise/>).

#### What happens when a Groupon expires

When a Groupon expires, customers can still redeem for the price they paid for the period of time defined by

state law (5 years in Illinois). \*\*This is not new;\*\* it's been in our terms of service and in every merchant contract since May of 2009 – when we were six months old and launched in two cities.

#### #### Changes we're making

The confounding thing about this experience is that we give everyone refunds if they have any issues with their Groupon experience—we don't need to get sued for it. So to make sure everybody knows that the easiest way to get your money back is not a tedious lawsuit, we're making a few more changes to make our customer-friendly policies more visible.

1. We're adding a clause to our terms of service stating that if for any reason a merchant refuses to honor an expired Groupon still valid under state law, we will refund that customer (we did that anyway, but now it's in the terms of service).
2. We're adding a checkbox when a customer buys their first Groupon for them to agree to our terms of service and privacy policy. I've always thought those checkboxes were pretty stupid, but apparently they help you not get sued.

What a crazy and distracting life experience. Getting sued sucks, but if there's a silver lining, it was seeing how readily you guys (our customers) spoke out on our behalf (in the comments of this post, for example). We put an enormous amount of energy into providing unbelievable customer service (the great irony of this lawsuit is our [completely open return policy](<http://groubloginon.com/cities/the-groupon-promise/>)), so it means a lot that you've noticed.

Anyway, we're glad to put this behind us and get back to making Groupon awesome.

#### 46 what you had to say about it



Yohanes

on

March 2, 2010 6:56 pm

This is amazingly absurd, given Groupons return policy.

